

## Message Text

UNCLASSIFIED

PAGE 01 BRUSSE 16441 01 OF 02 291406Z  
ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 ICA-20 AID-05 EB-08 NSC-05  
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06  
LAB-04 SIL-01 L-03 H-02 PA-02 MMO-01 A-01 AGRE-00  
/112 W

-----004010 291411Z/43

R 291348Z AUG 78  
FM AMEMBASSY BRUSSELS  
TO SECSTATE WASHDC 8499

UNCLAS SECTION 01 OF 02 BRUSSELS 16441

E.O. 11652: N/A  
TAGS: OECD, EFIN, ETRD, ELAB, BE  
SUBJ: BELGIAN ECONOMIC INDICATORS: AUGUST 1978

THE BELGIAN ECONOMY CONTINUES TO MARK TIME. THE APPRECIATION OF THE EFFECTIVE EXCHANGE RATE HAS CHEAPENED THE PRICE OF TRADEABLE GOODS, RESULTING IN A STEADY DROP IN THE WHOLESALE PRICE INDEX. THIS, IN TURN, HAS BROUGHT CPI INFLATION DOWN TO AROUND 4 - 5 PERCENT. UNEMPLOYMENT REMAINS HIGH AT 6.7. BELGIAN AUTHORITIES ARE WELL AWARE OF THE SEDATIVE EFFECT OF CURRENT EXCHANGE RATE POLICY ON DOMESTIC ECONOMIC ACTIVITY, BUT PREFER TO CONTINUE EXORCISM OF THE INFLATION TO WHICH THE ECONOMY HAS SO EASILY FALLEN VICTIM IN THE PAST.

THE BELGIAN FRANC HAD SOME TROUBLE KEEPING UP WITH ITS LARGER SNAKE PARTNER DURING THE FIRST TWO WEEKS OF AUGUST, AND THE NATIONAL BANK WAS FORCED TO BECOME AN ACTIVE BUYER ON THE EXCHANGE MARKETS. FOLLOWING THE US STATEMENTS SUPPORTING THE DOLLAR AND SUBSEQUENT WEAKENING OF UPWARD PRESSURE ON THE DEUTSCHE MARK, HOWEVER THE BELGIAN FRANC BEGAN TO STRENGTHEN SLIGHTLY WITHIN THE SNAKE.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRUSSE 16441 01 OF 02 291406Z

ITEM FIGURES 12-MO CHANGE PERIOD  
()  
INDICES

INDUSTRIAL PRODUCTION  
(INCLUDING CONSTRUCTION) 117.8 0.8 4/78

113.1 -0.1 5/78

## INDUSTRIAL PRODUCTION

(EXCLUDING CONSTRUCTION) 121.5 1.3 4/78

117.2 1.0 5/78

RETAIL SALES VALUE 328 6.5 3/78

315 1.9 4/78

322 5.2 5/78

CONSUMER PRICE INDEX 127.0 3.7 6/78

128.7 4.8 7/78

WHOLESALE PRICE INDEX 183.9 3.4 5/78

184.0 3.1 6/78

## WHOLESALE PRICE INDEX-

FINISHED INDUSTRIAL GOODS 145.8 0.6 5/78

146.3 0.8 6/78

## "SYNTHETIC CURVE" OF

## BUSINESS EXPECTATIONS

OF FUTURE ACTIVITY 83.44 - 6/78

## GROSS HOURLY WAGE IN

INDUSTRY (PER HOUR) 274 8.7 3/31/78

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BRUSSE 16441 01 OF 02 291406Z

## FIGURES:

## TOTAL UNEMPLOYED

(1000'S) 273.5 - 8/15/78

## TOTAL LABOR FORCE

(PERCENT UNEMPLOYED) 6.7 - 8/15/78

## MONTHLY STEEL PRODUCTION

(1000 MT) 1,102 4.0 5/78

834 -12.1 6/78

831 - 5.7 7/78

## DELIVERIES METAL

PRODUCTION (BILLION BF) 45,050 6.6 1/78

41,029 -9.7 3/78

46,735 4.4 4/78

## MONEY SUPPLY (M1)

(BILLION BF) 752.0 9.0 3/78

745.8 5.7 4/78

## MONEY SUPPLY (M2)

(BILLION BF) 727.1 1.1 3/78

726,8 0.7 4/78

MONTHLY OPERATING

BUDGET EXP.(BILLION BF)	79.6	4 7-
89.3	6/78	

MONTHLY OPERATING

BUDGET REVENUES	.-"	
(BILLION BF)	84.5	4 78
71.5	6/78	

MONTHLY OPERATING DEFICIT

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BRUSSE 16441 02 OF 02 291409Z

ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 ICA-20 AID-05 EB-08 NSC-05  
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06  
LAB-04 SIL-01 L-03 H-02 PA-02 MMO-01 A-01 AGRE-00  
/112 W  
-----004043 291411Z/43

R 291348Z AUG 78

FM AMEMBASSY BRUSSELS  
TO SECSTATE WASHDC 8500

UNCLAS SECTION 02 OF 02 BRUSSELS 16441

SURPLUS (BILLION BF)	4.8	4/78
-17.8	6/78	

MONTHLY EXPORTS VALUE

TO U.S. (BILLION BF)	4.2	0.5	4/78
4.4	-1.3	5/78	

MONTHLY EXPORTS VOLUME

TO U.S. (MILLION MT)	0.11	-0.5	4/78
TO U.S. (MILLION MT)	0.11	-0.5	4/78
0.09	5/78		

MONTHLY IMPORTS VALUE

FROM U.S. (BILLION BF)	5.8	-2.5	4/78
7.7	-6.2	5/78	

MONTHLY IMPORTS VOLUME

FROM U.S. (MILLION MT) 0.31 4/78  
0.40 5/78

MONTHLY EXPORTS VALUE

(BILLION BF) 115.7 1.3 4/78  
110.9 0.9 5/78

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRUSSE 16441 02 OF 02 291409Z

MONTHLY EXPORTS VOLUME

(MILLION MT) 6.7 -3.0 4/78  
6.5 -5.5 5/78

MONTHLY IMPORTS VALUE

(BILLION BF) 122.0 -8.1 4/78  
121.4 1.2 5/78

MONTHLY IMPORTS VOLUME

(MILLION MT) 12.0 -2.3 4/78  
12.2 3.3 5/78

CURRENT ACCOUNT

(BILLION BF) -2.3 3/78  
-2.1 4/78

FOREX RESERVES (CURRENCIES)

(BILLION BF) 89.9 8/21/78  
CALL MONEY RATE (PERCENT) 4.06 4/78  
3.85 5/78

3-MONTH TREASURY BILL

(PERCENT) 5.60 5/78  
5.75 6/78  
6.35 7/78

LONG-TERM GOVERNMENT BOND

YIELD (T) (6-MONTH) 6.25 6/13/78  
6.50 7/11/78

OFFICIAL RATE OF \$ 32.88 5/78  
32.69 6/78

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BRUSSE 16441 02 OF 02 291409Z

32.37 7/78

CHAMBERS

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC DATA, ECONOMIC REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 aug 1978  
**Decapton Date:** 01 jan 1960  
**Decapton Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978BRUSSE16441  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780352-0730  
**Format:** TEL  
**From:** BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780810/aaaaaiicc.tel  
**Line Count:** 223  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 18b88457-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1539193  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BELGIAN ECONOMIC INDICATORS: AUGUST 1978 THE BELGIAN ECONOMY CONTINUES TO MARK TIME. THE APPRECIATION OF THE EFFECTIVE EXCHANGE RATE HAS  
**TAGS:** EFIN, ETRD, ELAB, BE, OECD  
**To:** STATE  
**Type:** TE  
**vdkgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/18b88457-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014